



REBUILD IOWA OFFICE (RIO) LEGISLATIVE WEEKLY

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www.rio.iowa.gov/news/legislative_weekly/index.html

RIO MISSION:

The Rebuild Iowa Office will lead the State of Iowa's efforts to rebuild safer, stronger and smarter in the wake of the 2008 severe storms and catastrophic flooding.

RIO VISION:

We envision a resilient Iowa that will be safe, sustainable and economically strong for its people, reaffirming its ties to the land, rivers, environment and rich cultural history.

CONTACT THE RIO:

502 E. Ninth Street
Wallace Building
Second Floor
Des Moines, IA 50319
Phone: (515) 242-5004
Fax: (515) 242-5006
E-mail the RIO at:
contact@rio.iowa.gov
Visit us on the Web at:
www.rio.iowa.gov

TRACKING DISASTER RECOVERY FUNDING SOURCES

One function of the Rebuild Iowa Office is to track the various sources of funding helping Iowa recover from the historic 2008 storms, tornadoes and floods.

While the RIO is not directly involved in the administration of these funds, the Office works to coordinate and ensure transparency in Iowa's recovery effort.

Below is a list of selected sources of funding helping Iowa recover. For a complete list and current funding totals, please visit the RIO Web site at www.rio.iowa.gov/funds.html.

Hazard Mitigation Grant Program (HMGP) Funds

Type: Federal (75%); Local (15 %); State (10%)

Status: Active

Applicants: Eligible cities, counties, schools, certain non-profit organizations and other government entities.

Administration: HSEMD, with final review, approval and funding from FEMA

Description: The HMGP is funded by FEMA to implement long-term mitigation measures after a major disaster declaration. The purpose is to reduce loss of life and property resulting from natural disasters and to enable mitigation measures to be implemented during the recovery from a disaster. Projects must be cost effective. Projects include, but are not limited to:

- Construction of safe rooms
- Acquisition, structural relocation or elevation of buildings located in a special flood hazard area
- Structural and non-structural retrofitting of existing public buildings, facilities, or utilities to protect against wind, ice or flood hazards
- Minor structural hazard control or protection projects such as storm water management (e.g., culverts, floodgates, retention basins)
- Localized flood control projects, such as floodwall systems, that are designed specifically to protect critical facilities and do not constitute a section of a larger flood control system
- Hazard Mitigation Planning

The total amount of FEMA HMGP funds available to Iowa is \$294 million, which is an amount equal to 20% of the total estimated assistance provided under the Stafford Act. While this amount is available as a maximum, projects must be approved individually before funds can be spent.

Public Assistance (PA) Funds

Type: Federal

Status: Active

Applicants: Disaster-affected cities and counties

Administration: FEMA, HSEMD

Description: This funding provides assistance to applicants to conduct emergency work as well as permanent work projects and includes the repair and/or replacement of public infrastructure, buildings, roads, bridges, drainage facilities and parks damaged in the disaster.

More than \$1.4 billion is expected to be spent in Iowa through this program related to the 2008 disasters.

Each project must be approved by FEMA before projects can move forward.

Large Projects (those over \$60,900) are funded on a reimbursement basis as the project is completed.

Community Development Block Grant (CDBG) Funds

Type: Federal

Status: Active

Applicants: Various

Administration: HUD, IDED, COGs and Entitlement Cities

Description: CDBG funds in Iowa are being used for many programs and purposes, including but not limited to the following:

- Jumpstart Housing (home repair, down payment assistance and interim mortgage assistance)
- Jumpstart Small Business
- Large & Small Project

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Rental Rehabilitation

- Disaster Recovery Case Management.
- Infrastructure
- Housing acquisitions ("buyouts")
- New housing production
- Flood plain mapping

CDBG funds are not specifically meant for disaster recovery use. They are generally allocated to states for housing and community development purposes. In recent years, Congress has chosen to use this program as a vehicle for delivering additional disaster aid to states with major disasters.

CDBG funds have the potential to be used for many different purposes, making them seem to be "the most flexible" form of funding.

CDBG funds come with a number of restrictions as to their specific uses and who is eligible to use them (for example, they are often considered to be a "duplication" of other federal funds and come with income restrictions for homeowners who wish to use them).

Allocated: These funds are appropriated by Congress in large sums and then HUD allocated them to state designated in the appropriation.

Approved: With each allocation, states must complete an "Action Plan" detailing plans for the funding. Once that occurs, the state can begin committing the funds to specific projects. At this point that they are considered approved.

Spent: This program is reimbursement only. Funds are never transferred to the state. Checks are cut for specific projects after completion.

Initial State Jumpstart Funds

Type: State

Status: Complete, final application deadline for businesses was April 15, 2009 and Sept. 1, 2009 for homeowners.

Applicants: Disaster-affected homeowners and business owners

Administration: IDED (business), IFA (housing)

Description: These funds were made available to disaster-affected Iowans in September 2008.

Immediately following the disaster, Gov. Culver and the Executive Council transferred funds from other state programs for use in disaster recovery.

These funds were meant to serve as interim funding in the months before federal funding arrived.

The funds were split into the following two programs:

- The Jumpstart Housing Assistance Program for repairs, replacement housing and mortgage assistance.
- The Jumpstart Business Assistance Program.

Iowa Finance Authority Tax Credits

Type: Federal

Status: 2009 tax credits have all been used, more will be available in 2010

Applicants: Housing developers (in conjunction with local governments)

Administration: IFA

Description: Low-income Housing Tax Credits assist in spurring the development of affordable housing projects around the state.

These tax credits are targeted for use in communities affected by the 2008 disasters.

These are not direct funding and do not provide a check to recipients. Therefore, they are not considered "spent" until the project is complete.

There are 10-year terms for the tax credits.

National Emergency Grant Funds

Type: Federal

Status: Active

Applicants: Government and non-profit organizations employing these workers for disaster specific projects, individuals, business owners

Administration: US Dept. of Labor, IWD

Description: These funds were used for two programs:

Funds are currently being used for the Emergency Public Jobs (EPJ) program.

- This program provides work for disaster-affected and long-term unemployed Iowans on disaster-related projects in affected areas.
- Individuals can work for approximately 6 months in the program and can earn up to \$12,000 and are often provided training.
- Individuals are paid at the prevailing rate for the worksite, which provides higher compensation than unemployment benefits.

These funds were also used for a Small Business Disaster Grant Program

- This application deadline was in October 2009.
- This program assisted businesses which experienced displacement of employees due to the disaster with grants of up to \$5,000.

Iowa Disaster Recovery Bill Funds (HF64)

Type: State

Status: Active

Applicants: Individuals and communities

Administration: IFA, DHS, HSEMD

Description: These funds allocated by HF64 in February 2009 for the following purposes:

Jumpstart Iowa Housing Assistance

- Includes repair and down payment assistance
- Administered at the state-level by IFA.
- Administered locally by COGs and Entitlement Cities.
- The application was Sept. 1, 2009.

Individual Unmet Needs Disaster Grant Program

- Administered at the state-level by DHS
- Administered locally through LTRCs.
- The application deadline was Oct. 16, 2009 due to limited funds.
- Some of this funding was in the form of vouchers to individuals. Those funds are not considered expended until the individual uses the voucher and the retailer submits information for reimbursement.

Community Disaster Grants for cities and counties affected by the 2008 disasters

- Administered by HSEMD.
- These funds were allocated using a specific formula outlined in legislation.
- Communities were asked to submit paperwork explaining their plans for use of the funds.
- Work should be done by June 30, 2010. If funds are encumbered, work can be done and paid for using these funds after that date.